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Italy

Citrus

Citrus Semiannual

2005

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Report Highlights:

The 2004/05 citrus campaign in Italy started 2-3 weeks later than usual because ripening of the fruits was delayed by high temperatures and unstable weather during the fall. Stagnant demand and good production pushed down the prices of all products but lemons in the early part of the season. The Italian government is assisting private traders in promoting pigmented oranges in the United States.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Semi-Annual Report
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Table of Contents

Campaign Outlook.....	3
Fresh Oranges.....	3
Approaching the U.S. market	3
Orange Juice	3
Tangerines.....	4
Fresh lemons	5
Lemon juice	5
Grapefruit	5
PSD and price Tables	7
Export Matrix Fresh Oranges.....	7
Import Matrix Fresh Oranges	7
Prices Fresh Oranges.....	8
Export Matrix Fresh Tangerines	8
Import Matrix Fresh Tangerines	9
Prices Fresh Tangerines	9
Export Matrix Lemon Fresh	10
Export Matrix Lemon Juice	10
Prices Lemon Fresh	11

Campaign Outlook

The 2004/05 citrus campaign in Italy started 2-3 weeks later than usual because ripening of the fruits was delayed by high temperatures and unstable weather during the fall. Stagnant demand and good production pushed down the prices of all products in the early part of the season. Demand and prices recovered around Christmas time and remained high for the rest of the season.

Fresh Oranges

Orange production in 2004/05 was slightly higher than previously forecasted at almost 2 mln tons, up an 8.5% from the previous campaign. The quality of the fruits was satisfactory in most areas. Some hailstorms in January 2005 ruined part of the Sicilian production and forced producers to process part of their production.

Abundant domestic production and low prices for most of the season resulted in reduced imports and increased exports from the past year. Domestic consumption remained about stable.

Prices recovered in the late part of the season after February 2005 but remained lower than in the same months in 2004.

PSD Table

Country	Italy					
Commodity	Oranges, Fresh					
	(HECTARES)		(1000 TREES)		(1000 MT)	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official	Estimate	DA Official	Estimate	DA Official	Estimate [New]
Market Year Begin	11/2002		11/2003		11/2004	MM/YYYY
Area Planted	109266	109266	107008	107008	106757	105292 (HECTARES)
Area Harvested	109266	109266	105288	105288	105100	103653 (HECTARES)
Bearing Trees	0	0	49714	49714	49115	49115 (1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0 (1000 TREES)
TOTAL No. Of Trees	0	0	49714	49714	49115	49115 (1000 TREES)
Production	1723	1723	1835	1835	1900	1997 (1000 MT)
Imports	113	113	116	116	100	95 (1000 MT)
TOTAL SUPPLY	1836	1836	1951	1951	2000	2092 (1000 MT)
Exports	87	87	86	86	100	100 (1000 MT)
Fresh Dom. Consumption	919	919	948	948	950	1042 (1000 MT)
Processing	830	830	917	917	950	950 (1000 MT)
TOTAL DISTRIBUTION	1836	1836	1951	1951	2000	2092 (1000 MT)

Approaching the U.S. market

Italian exports of fresh oranges to the United States were negligible in 2003 and 2004 but they are expected to jump in 2005 as a result of a joint initiative of a private trader (Paganini Foods Ltc), the Regional Administration of Sicily and the Ministry of Agriculture. The initiative is aimed at promoting consumption of Sicilian pigmented varieties among U.S. consumer and was co-founded by the private trader (about 250,000 US\$) and the Ministry of Agriculture (235,000US\$).

According to a press article (Agricole January 21-27, 2005 page 11), last 18 January 2005 a shipment of about 2,000 tons of pigmented oranges left Italy for the United States. No further information was made available about further shipments.

Orange Juice

No official have yet been made available for 2004/05. It is likely however that juice production (expressed in 65 Brix equivalents) will remain in line with previous forecast.

Italian orange producers continue to deliver to processors more than the allocated EU quota, therefore their payments will be reduced by 15.5% in 2004/05 (see IT4035). Probably this trend will continue in the next years because of the stagnant demand for fresh products and

PSD Table

Country	Italy						65 Degrees Brix
Commodity	Orange Juice						(MT)
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official	Estimate [DA Official]	USDA Official	Estimate [DA Official]	USDA Official	Estimate [New]	
Market Year Begin	01/2003			01/2004		01/2005	MM/YYYY
Deliv. To Processors	830000	830000	917000	917000	950000	950000	(MT)
Beginning Stocks	24595	24595	25000	25000	31000	31000	(MT)
Production	37000	37000	40500	40500	42000	42000	(MT)
Imports	19957	19957	25000	25000	22000	22000	(MT)
TOTAL SUPPLY	81552	81552	90500	90500	95000	95000	(MT)
Exports	13335	13335	15000	15000	18000	18000	(MT)
Domestic Consumption	43217	43217	44500	44500	45000	45000	(MT)
Ending Stocks	25000	25000	31000	31000	32000	32000	(MT)
TOTAL DISTRIBUTION	81552	81552	90500	90500	95000	95000	(MT)

the increasing popularity of fruit juices in the country.

Tangerines

Tangerine production in 2004/05 was higher than previously forecasted, up almost 10% from 2003/04. The quality of the production was generally good but the harvest started 2-3 weeks later than expected. This favored penetration of Spanish tangerines on the Italian market in the early part of the season.

Prices were lower than the previous year for most of the season and showed only marginal increases in coincidence with the end of the campaign in February.

PSD Table

Country	Italy						(HECTARES)(1000 TREES)(1000 MT)
Commodity	Tangerines, Fresh						
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official	Estimate [DA Official]	USDA Official	Estimate [DA Official]	USDA Official	Estimate [New]	
Market Year Begin	11/2002			11/2003		11/2004	MM/YYYY
Area Planted	34998	34998	33141	33141	33436	33350	(HECTARES)
Area Harvested	33734	33734	31842	31842	32156	32074	(HECTARES)
Bearing Trees	0	0	14756	14756	14800	14800	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	(1000 TREES)
TOTAL No. Of Trees	0	0	14756	14756	14800	14800	(1000 TREES)
Production	540	540	497	528	532	578	(1000 MT)
Imports	98	98	115	105	110	90	(1000 MT)
TOTAL SUPPLY	638	638	612	633	642	668	(1000 MT)
Exports	30	30	30	40	30	45	(1000 MT)
Fresh Dom. Consumption	480	480	417	428	427	448	(1000 MT)
Processing	128	128	165	165	185	175	(1000 MT)
TOTAL DISTRIBUTION	638	638	612	633	642	668	(1000 MT)

Fresh lemons

Lemon production data were revised upward due to a better than expected performance of the spring crop "Bianchetto". Trade, consumption and processing show only minor adjustments from previous forecast.

Unlike other citrus products, prices of fresh lemons are about the same as previous year due to good market demand.

PSD Table

Country	Italy						
Commodity	Lemons, Fresh						
	(HECTARES)		(1000 TREES)		(1000 MT)		
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [	Estimate [10/2002	DA Official [	Estimate [10/2003	DA Official [	Estimate [New] 10/2004	
Market Year Begin		10/2002		10/2003		10/2004	MM/YYYY
Area Planted	33382	33382	33284	33284	33280	30636	(HECTARES)
Area Harvested	33207	33207	33274	33274	33270	29370	(HECTARES)
Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	(1000 TREES)
TOTAL No. Of Trees	0	0	0	0	0	0	(1000 TREES)
Production	528	528	526	534	526	542	(1000 MT)
Imports	99	99	88	93	75	80	(1000 MT)
TOTAL SUPPLY	627	627	614	627	601	622	(1000 MT)
Exports	32	32	35	32	35	32	(1000 MT)
Fresh Dom. Consumption	305	297	284	292	271	291	(1000 MT)
Processing	290	298	295	303	295	299	(1000 MT)
TOTAL DISTRIBUTION	627	627	614	627	601	622	(1000 MT)

Lemon juice

Lemon juice absorbs about a half of the domestic lemon production. No official have yet been made available for 2004/05. It is likely however that processed volume remain in line with the country threshold set by the EU Common Market Organization for fruit and vegetables.

PSD Table

Country Commodity	Italy Lemon Juice						UOM
	(MT)						
	2002	Revised	2003	Estimate	2004	Forecast	
	USDA Official [	Estimate [10/2002	DA Official [	Estimate [10/2003	DA Official [	Estimate [New] 10/2004	
Market Year Begin							MM/YYYY
Deliv. To Processors	290000	298000	295000	303000	295000	299000	(MT)
Beginning Stocks	7424	7424	5567	13000	6567	13000	(MT)
Production	75000	83634	77000	77000	77000	79000	(MT)
Imports	3000	3000	3800	3200	3500	3500	(MT)
TOTAL SUPPLY	85424	94058	86367	93200	87067	95500	(MT)
Exports	13237	13237	12000	11800	12500	12500	(MT)
Domestic Consumption	66620	67821	67800	68400	68067	69500	(MT)
Ending Stocks	5567	13000	6567	13000	6500	13500	(MT)
TOTAL DISTRIBUTION	85424	94058	86367	93200	87067	95500	(MT)

Grapefruit

No changes have been made to grapefruit production data as no official or unofficial data is currently available. Trade is in line with previous forecast.

PSD Table

Country Commodity	Italy Grapefruit, Fresh						UOM
	(HECTARES)	(1000 TREES)	(100				
	2002	Revised	2003	Estimate	2004	Forecast	
	USDA Official	Estimate [DA	Official	Estimate [DA	Official	Estimate [New]	
Market Year Begin	06/2002			06/2003		06/2004	MM/YYYY
Area Planted	310	310	310	310	310	310	(HECTARE
Area Harvested	245	245	245	245	245	245	(HECTARE
Bearing Trees	0	0	0	0	0	0	(1000 TRE
Non-Bearing Trees	0	0	0	0	0	0	(1000 TRE
TOTAL No. Of Trees	0	0	0	0	0	0	(1000 TRE
Production	7	7	7	7	7	7	(1000 MT)
Imports	34	34	38	38	38	38	(1000 MT)
TOTAL SUPPLY	41	41	45	45	45	45	(1000 MT)
Exports	4	4	5	5	5	5	(1000 MT)
Fresh Dom. Consumption	34	34	39	39	39	39	(1000 MT)
Processing	3	3	1	1	1	1	(1000 MT)
TOTAL DISTRIBUTION	41	41	45	45	45	45	(1000 MT)

PSD and price Tables

Export Matrix Fresh Oranges

Country Italy**Commodity** Oranges, Fresh

Time Period	Year	Units:	MT
Exports for:	2003		2004
U.S.	355	U.S.	337
Others		Others	
Germany	21171	Germany	26345
Switzerland	17042	Switzerland	18464
Austria	13028	Austria	15578
Croatia	3326	France	4127
France	2925	Sweden	3493
Sweden	2967	Belgium	3366
Belgium	2882	Croatia	2846
Slovenia	1846	Albania	2829
Malta	1772	Slovakia	2445
Slovakia	1675	Malta	1581
Total for Others	68634		81074
Others not Listed	12739		16955
Grand Total	81728		98366

Import Matrix Fresh Oranges

Import Trade Matrix**Country** Italy**Commodity** Oranges, Fresh

Time Period	Year	Units:	MT
Imports for:	2003		2004
U.S.		U.S.	
Others		Others	
Spain	62557	Spain	75992
S. Africa	24461	S. Africa	24900
Netherlands	6684	France	6986
France	6197	Argentina	6230
Belgium	3153	Netherlands	4789
Egypt	2602	Egypt	3372
Uruguay	2191	Uruguay	2999
Morocco	2397	Morocco	1837
Germany	1750	Germany	1824
Total for Others	111992		128929
Others not Listed	3522		5005
Grand Total	115514		133934

Prices Fresh Oranges

Prices Table

Country Italy

Commodity Oranges, Fresh

Prices in Euros per uom Kilo

Year		1	% Change
Jan	0.27	0.21	-22%
Feb	0.27	0.21	-22%
Mar	0.32	0.24	-25%
Apr	0.25		-100%
May	0.25		-100%
Jun			
Jul			
Aug			
Sep			
Oct	0.24		-100%
Nov	0.29		-100%
Dec	0.25		-100%

Exchange Rate 1.2439 Local Currency/US \$

Date of Quote 2004 MM/DD/YYYY

Export Matrix Fresh Tangerines

Country Italy

Commodity Tangerines, Fresh

Time Period Year Units: MT

Exports for: 2003 2004

U.S. U.S.

Others Others

Poland	3554	Poland	5986
Bosnia Herz.	3362	Slovenia	4585
Hungary	2137	Germany	4302
Slovenia	2001	Hungary	3918
France	1335	France	2578
Slovakia	1077	Bosnia Herz.	2775
Austria	981	Slovakia	1448
Germany	941	Czech Rep	1319
Albania	610		
Croatia	578		

Total for Others 16576 26911

Others not Listed 5555 12165

Grand Total 22131 39076

Import Matrix Fresh Tangerines

Country Italy**Commodity** Tangerines, FreshTime Period Units: Imports for: U.S. U.S.

Others Others

Spain	102199	Spain	92080
France	9307	France	5152
Cyprus	2516	Cyprus	2528
Morocco	914	Morocco	653
Uruguay	153	Uruguay	1095
Brazil	557	Brazil	352
Greece	302		
Germany	231		
Argentina	131		
Netherlands	97		

Total for Others 116407 101860

Others not Listed

Grand Total 116750 104937

Prices Fresh Tangerines

Prices Table**Country** Italy**Commodity** Tangerines, FreshPrices in per uom

Year	<input type="text"/>	1	% Change
Jan	<input type="text" value="0.33"/>	<input type="text" value="0.25"/>	-24%
Feb	<input type="text" value="0.34"/>	<input type="text" value="0.27"/>	-21%
Mar	<input type="text" value="0.33"/>	<input type="text" value="0.35"/>	6%
Apr	<input type="text"/>	<input type="text"/>	
May	<input type="text"/>	<input type="text"/>	
Jun	<input type="text"/>	<input type="text"/>	
Jul	<input type="text"/>	<input type="text"/>	
Aug	<input type="text"/>	<input type="text"/>	
Sep	<input type="text"/>	<input type="text"/>	
Oct	<input type="text" value="0.25"/>	<input type="text"/>	-100%
Nov	<input type="text" value="0.42"/>	<input type="text"/>	-100%
Dec	<input type="text" value="0.32"/>	<input type="text"/>	-100%

Exchange Rate Local Currency/US \$Date of Quote MM/DD/YYYY

Export Matrix Lemon Fresh

Export Trade Matrix

Country Italy

Commodity Lemons, Fresh

Time Period	Year	Units:	MT
Exports for:	2003		2004
U.S.		U.S.	
Others		Others	
Germany	7978	Austria	7391
Austria	7546	Germany	7106
France	4119	Greece	3890
Hungary	1458	France	3549
Croatia	1440	Hungary	1202
Bosnia - Herz.	1287	Slovenia	1133
Slovenia	1272	Croatia	978
Switzerland	1003	Bosnia - Herz.	724
Romania	1194	United Kingdom	503
United Kingdom	658		
Total for Others	27955		26476
Others not Listed	4461		4913
Grand Total	32416		31389

Export Matrix Lemon Juice

Export Trade Matrix

Country Italy

Commodity Lemon Juice

Time Period	Year	Units:	MT
Exports for:	2003		2004
U.S.	82	U.S.	39
Others		Others	
Japan	3325	France	3060
France	2344	Japan	2052
Germany	1815	United Kingdom	1918
United Kingdom	1365	Germany	1553
Switzerland	897	Netherlands	645
Netherlands	477	Switzerland	552
Total for Others	10223		9780
Others not Listed	2354		2493
Grand Total	12659		12312

Prices Lemon Fresh

Prices Table

Country Italy

Commodity Lemons, Fresh

Prices in Euro per uom Kilo

Year	2004	2005	% Change
Jan	0.25	0.33	32%
Feb	0.22	0.22	0%
Mar	0.21	0.23	10%
Apr	0.21		-100%
May	0.23		-100%
Jun	0.26		-100%
Jul	0.31		-100%
Aug	0.31		-100%
Sep	0.29		-100%
Oct	0.32		-100%
Nov	0.35		-100%
Dec	0.29		-100%

Exchange Rate 1.2432 Local Currency/US \$

Date of Quote Av 2004 MM/DD/YYYY